

## PROCEEDINGS OF THE STURGIS CITY COUNCIL

The Common Council of the City of Sturgis met in regular session starting at 6:30 p.m. on Monday, June 1, 2020 at the Community Center Theater. Present: Mayor Mark Carstensen, Alderpersons Jason Anderson, Mike Bachand, Rhea Crane, Steve Keszler, Terry Keszler, David Martinson, Ronald Waterland (by Zoom) and Beka Zerbst. Also, present: City Manager Daniel Ainslie and City Attorney Greg Barnier. Absent: None.

Motion by Crane, second by S. Keszler and carried with all members present unanimously voting yes to approve the agenda.

Mayor Mark Carstensen led everyone in the Pledge of Allegiance.

### Informational Reports:

- Public Works Director presented the 2019 Drinking Water Report to the Council.

### Announcements:

- This will be the last meeting that we will be operating with Zoom.
- Get out and vote tomorrow.
- Music on Main and the Bike races will start on June 3<sup>rd</sup>.

### City Manager Ainslie reported:

- Payroll Changes within Budget-
  1. Community Center: Joclyn Zook-Lifeguard \$10.75; David Musilek-Lifeguard \$10.50.

Motion by Bachand, second by Zerbst and carried with all members present unanimously voting yes to approve the following items on the consent calendar:

- a. Consideration to approve minutes from the May 18, 2020 regular City Council meeting.
- b. Consideration to remove it from the table and reset the public hearing for June 15, 2020 for the Special Events License for the Iron Horse Saloon-Cater Bar at Steel Pony Campground August 4-15, 2020.
- c. Consideration to set a public hearing for June 15, 2020 for Family Dollar Malt Beverage License Renewal.

Motion by Martinson, second by Crane and carried with all members present unanimously voting yes to approve the following claims:

**WAGES** – Ambulance \$23,430.96; Attorney \$4127.59; Auditorium \$197.31; Buildings \$1188.28; Cemetery \$2275.60; City Manager \$4670.97; Community Center \$9762.83; Finance Office \$8056.59; Fire Department \$185.52; Fleet \$6212.60; Human Resource \$5087.10; Library \$9047.96; Liquor \$6093.94; Mayor and Council \$3913.78; Parks \$10,300.22; Planning & Permitting \$8470.63; Police \$36,180.54; Rally \$8050.24; Recreation \$2593.78; Sanitary Service \$15,742.92; Streets \$11,522.26; Wastewater \$8206.67; Water \$21,081.09; Federal Withholding \$16,521.13; FICA \$14,801.58.

**GENERAL** – A&B Business, \$602.05, sup; Amick Sound, \$34.24, rep; Bierschbach Equipment, \$1,697.80, rent; Black Hills Energy, \$2,598.58, util; Roger Burnham, \$3,713.17, prof fee; Central States Sanitation, \$520.00, rep; Century Glass Co, \$366.06, rep; Chain Saw Center, \$52.95, rep; City of Sturgis Water Dept, \$3,219.19, util; Core & Main, \$1,604.16, sup; DNH Tools, \$160.00, sup; Double Star Computing, \$1,071.79, prof fee; Glover Investments, \$29,760.00, rent; Jessica Harwood, \$60.00, refund; Hebron Brick, \$65.40, sup; Jenner Equipment, \$29,986.78, equip; Legendary Electric, \$3,468.58, equip; LMK Sturgis, \$30,000.00, rent; Motionsoft, \$450.00, prof

fee; Petty Cash, \$219.03, sup; S&C Cleaners, \$6,500.00, prof fee; Sturgis Real Estate & Auctions, \$49,500.00, rent; Sturgis Rox, \$42,000.00, rent; Sturgis Tire Pros, \$16.45, rep; Summit Signs & Supply, \$72.00, sup; TCC Materials, \$202.60, rep; U Drive Technology, \$321.00, util; Geody Vandewater, \$19.99, rep; Werlinger Auto Body Repair, \$2,641.58, rep.

**SPECIAL SALES TAX** – Lawrence & Schiller, \$1,136.67; Sturgis area Chamber of Commerce, \$9,166.67; Sturgis Economic Development, \$6,666.67.

**CAPITAL IMPROVEMENT** – Bierschbach Equipment, \$4,299.75; Sound Pro, \$43,063.00.

**BUSINESS IMPROVEMENT DISTRICT** – Central States Sanitation, \$200.00, sup; John Leslie Hastings, \$1,200.00, prof fee; Perfect Wave Production, \$7,200.00, prof fee.

**HOTEL OCCUPANCY TAX DISTRICT** – Lawrence & Schiller, \$633.06.

**LIQUOR** – Arctic Glacier, \$249.09, resale; Cask & Cork, \$1,226.52, resale; City of Sturgis Water Dept, \$314.41, util; Coca Cola, \$506.00, resale; Dakota's Best Distributing, \$205.30, resale; Double Star Computing, \$71.10, pro fee; Fisher Beverage, \$11,031.00, resale; Johnson Western Wholesale, \$14,595.00, resale; MB Enterprises, \$185.75, resale; Okoboji Wines, \$303.00, resale; Pepsi Cola, \$137.50, resale; Prairie Berry, \$714.00, resale; Quality Brands of the Black Hills, \$21,471.40, resale; Republic Beverage, \$7,884.64, resale; Southern Glazer's of SD, \$3,183.85, resale.

**WATER** – Black Hills Energy, \$7,675.44, util; City of Sturgis Water Dept, \$604.36, util; Core & Main, \$7,905.43, sup; Double Star Computing, \$71.10, prof fee; Hawkins, \$871.45, sup; Petty Cash, \$4.34, sup; SD DENR, \$2,200.00, other.

**WASTEWATER** – Advanced Engineering & Environmental, \$56,277.46, cap imp; APWA, \$208.00, prof fee; Black Hills Energy, \$2,918.17, util; Double Star Computing, \$71.10, prof fee; Flexible Pipe Tool Co, \$2000.60, sup; FMG Engineering, \$975.00, prof fee; G&H Distributing, \$104.16, sup; SD DENR, \$50.00, other.

**SANITATION** – A-1 Windshield Repair, \$35.00, rep; Allstate Peterbilt of Bismarck, \$130.83, rep; Black Hills Energy, \$250.64, util; City of Belle Fourche, \$24,896.89, other; Double Star Computing, \$71.10, prof fee.

**AMBULANCE** – Allied Healthcare Products, \$185.65, sup; Black Hills Energy, \$508.98, util; Pamela Bunts, \$1,142.00, refund; City of Sturgis Water Dept, \$83.30, util; Double Star Computing, \$71.10, prof fee; Shawn Fischer, \$352.00, sup; Liberty Chevrolet, \$552.07, rep; Medical Waste Transport, \$158.05, other; Dr. Joy Mueller, \$500.00, prof fee; SD Board of Medical & Osteopathic Exam, \$350.00, prof fee; Tom's T's, \$4,807.75.

Motion by Anderson, second by Zerbst and carried with all members present unanimously voting yes to approve a Special Events License for the Loud American for the Community Picnic on August 26, 2020.

Motion by Crane, second by Martinson and carried with Carstensen, Anderson, Crane, S. Keszler, T. Keszler, Martinson, Waterland and Zerbst voting yes, Bachand voting no, to approve a Special Events License for the Loud American for the Sturgis Motorcycle Rally on August 7-15, 2020.

A signed Petition for Annexation was received from the Murray Development and a motion was made by S. Keszler second by Bachand and carried with all members present unanimously voting yes to approve Resolution 2020-31 – Annexation of the Murray Properties.

**RESOLUTION 2020-31**  
**RESOLUTION OF ANNEXATION OF**  
**MURRAY DEVELOPMENT CORP. PROPERTIES**

**WHEREAS**, the Common Council of the City of Sturgis had prepared a study pursuant to SDCL 9-4-4.1 to determine the need for annexing contiguous territory and to identify

the resources necessary to extend the municipal boundaries to the area described in the study which is incorporated by this reference. A copy of the Annexation Study is available for public review at the Finance Office at City Hall; and,

**WHEREAS**, the Annexation Study which has been prepared finds that certain contiguous territory described therein, and legally described in this resolution, should be annexed to and included within the boundaries of the City to provide for the orderly growth and development of the City; and,

**WHEREAS**, approval of this resolution by the Meade County Commissioners is not required pursuant to SDCL 9-4-5 because no unplatted territory or agricultural land is proposed for annexation; and,

**WHEREAS**, the property subject to this Resolution is also the property subject to and governed by a Development and Annexation Agreement between Murray Development Corporation, Murray Water Company, Inc., and the City of Sturgis, which is incorporated herein by reference pursuant to the statutory authority provided by SDCL 9-4-1.1; and

**WHEREAS**, the property for subject to this Resolution is for property contiguous to a portion of the present boundary of the City of Sturgis and within the area where the growth of the City can be accommodated to provide for the orderly growth and development of the City; and

**WHEREAS**, Murray development Corp. is the owner of property described by the Meade County Equalization office as parcels #11.78.AR and 11.78.UTIL2, located adjacent to the City of Sturgis and described in fuller detail below; and

**WHEREAS**, the property owned by Murray Development Corp. subject to this Resolution consists of platted non-agricultural territory as defined at SDCL 9-4-5 and 10-6-31, described as follows:

#### LEGAL DESCRIPTIONS:

- Tract A Revised of Murray Addition No. 2, Meade County, South Dakota, as shown on the plat filed in Plat Book 25, Pages 5-6, and as amended by Affidavit of Correction recorded July 17, 2015, in Book 863, Pages 972-973; EXCEPTING therefrom Murray Well Lot #1 as shown on the plat filed in Plat Book 21 Pages 205-206; and EXCEPTING therefrom Murray Utility Lot #2, as shown on the plat filed in Plat Book 22, Pages 335-336.
- Murray Utility Lot #2 of Tract A formerly a portion of Tract A of Murray Addition #2, located in the SE1/4 of Section 8, T5N, R5E, B.H.M., Meade County, South Dakota as shown on the plat filed in Plat Book 22 Pages 335-336.

**WHEREAS**, Murray Water Company Inc. is the owner of property described by the Meade County Equalization office as parcel #11.78.WELL1, located adjacent to the City of Sturgis and described in fuller detail below, and

**WHEREAS**, the property owned by Murray Water Company Inc. subject to this Resolution consists of platted non-agricultural territory as defined at SDCL 94-5 and 10-6-31, described as follows:

- Murray Well Lot #1 of Tract A Formerly a portion of Tract A of Murray Addition #2, located in the SE 1/4 of Section 8, T5N, R5E, B.H.M., Meade County, South Dakota as shown on the plat filed in Plat Book 21, Pages 205-206.

**WHEREAS**, the Annexation Study on file for the subject properties also contains the following information demonstrating the following reasons for annexation:

1. That ample and suitable resources exist to accommodate the orderly growth and development of the described contiguous territory as evidenced by the City's current provision of some City services to the area and consistent with the Annexation Study.
2. That municipal utilities and a major street network are, and have been, considered in terms of the proposed boundary extension in accordance with the Annexation Study.
3. That the City has established a definite timetable upon which municipal services will be extended into the contiguous territory as described in the Annexation Study subject to the City's policies and ordinances in accordance with South Dakota Codified Law.
4. That the approximate costs of the extended services to the residents in the described contiguous territory and to the City are set forth in detail in the Annexation Study subject to the City's reasonable policies, ordinances, regulations, terms and conditions in accordance with South Dakota Codified Law.
5. The estimated difference in tax assessment rate for the residents and property in the contiguous territory will be a net increase of 0.006309 for Non-Agricultural property.
6. That population and census data indicate that the City has and may experience growth or development beyond its present boundaries.
7. That exclusions or irregularities in municipal boundary lines are not the result of arbitrariness but are based upon existing geographical features physical barriers, existing property boundaries, existing occupancies and uses, and existing city boundaries.
8. That there is reasonable present need, and demonstrable future need, for annexing the subject contiguous territory in accordance with the Annexation Study.
9. That there exists a community of interest between the contiguous territory and the City of Sturgis.

**WHEREAS**, the City has agreed with the owners that that previous drainage and water run-off issues in the Dolan Creek Estates were multi-factorial, not only run off from Big Rig RV Park; **HOWEVER, THE DEVELOPMENT AGREEMENT AND THIS STATEMENT SHALL NOT BE CONSTRUED IN ANY MANNER AS AGREEMENT**

BY THE CITY TO INDEMNIFY OR HOLD HARMLESS Murray Development Corp. or the Murray Water Company, Inc., or any officer, agent or representative of those corporations FOR ANY WATER RUN-OFF PROBLEMS THAT HAVE OCCURRED IN THE PAST OR MAY OCCUR IN THE FUTURE.

**NOW, THEREFORE BE IT RESOLVED** that the property identified as:

- Tract A Revised of Murray Addition No. 2, Meade County, South Dakota, as shown on the plat filed in Plat Book 25, Pages 5-6, and as amended by Affidavit of Correction recorded July 17, 2015, in Book 863, Pages 972-973; EXCEPTING therefrom Murray Well Lot #1 as shown on the plat filed in Plat Book 21 Pages 205-206; and EXCEPTING therefrom Murray Utility Lot #2, as shown on the plat filed in Plat Book 22, Pages 335-336;

AND

- Murray Utility Lot #2 of Tract A formerly a portion of Tract A of Murray Addition #2, located in the SE1/4 of Section 8, T5N, R5E, B.H.M., Meade County, South Dakota as shown on the plat filed in Plat Book 22, Pages 335-336;

AND

- Murray Well Lot #1 of Tract A Formerly a portion of Tract A of Murray Addition #2, Located in the SE 1.4 of Section 8, T5N, R5E, B.H.M., Meade County, South Dakota as shown on the plat filed in Plat Book 21, Pages 205-206

shall be and hereby are annexed into the City of Sturgis as provided by State Law and the corporate limits of the City of Sturgis extended to include it.

**DATED** this 1<sup>st</sup> day of June 2020.

Published: 06-04-2020

Effective: 06-25-2020

After a presentation from City Attorney Barnier and the Jackpine Gypsies Attorney Kellen Willert the following motion was made.

Motion by Anderson, second by Martinson and carried with Carstensen, Anderson, Bachand, S. Keszler, T. Keszler, Martinson and Zerbst voting yes, Crane voting no and Waterland abstaining, to approve Resolution 2020-18 – Annexation of the Jackpine Gypsies properties.

**RESOLUTION 2020-18  
RESOLUTION FOR ANNEXATION OF JACKPINE GYPSIES  
MOTORCYCLE CLUB, INC. PROPERTIES**

**WHEREAS**, The Common Council of the City of Sturgis had prepared a study pursuant to SDCL 9-4-4.1 to assess the need for annexing contiguous territory and to identify the resources necessary to extend the municipal boundaries to the area described in that study, which is incorporated herein by this reference. A copy of the Annexation Study is available for public review at the Finance Office at the temporary City Hall; and,

**WHEREAS**, the Annexation Study which has been prepared finds that certain contiguous territory described therein, and legally described in this resolution, should be

annexed to and included within the boundaries of the City to provide for the orderly growth and development of the City; and

**WHEREAS**, approval of this resolution by the Meade County Commissioners is not required pursuant to SDCL 9-4-5 because no unplatted territory or agricultural land is proposed for annexation; and

**WHEREAS**, the owners of the property subject to this Resolution were provided notice by certified mail of the Resolution of Intent for Annexation as required by South Dakota law SDCL 9-4-4.3; and

**WHEREAS**, the owners of the property subject to this Resolution were provided additional notice of the public hearing on the Resolution for Annexation as required by South Dakota law SDCL 9-4-4.4; and

**WHEREAS**, the Sturgis City Council held the public hearing on the Resolution for Annexation as required by law at the Council meeting on March 2, 2020; and

**WHEREAS**, during that public hearing the Council heard some members of the Jackpine Gypsies express an interest in negotiating a voluntary Development and Annexation agreement with the City; and

**WHEREAS**, following the end of that public hearing on March 2<sup>nd</sup> the Council voted table the Resolution for Annexation until the Council meeting on May 4, 2020 to allow such negotiations to occur; and

**WHEREAS**, City representatives met several times with representatives of the Jackpine Gypsies in March and April in an attempt to negotiate a development and annexation agreement; and

**WHEREAS**, the draft of such a proposed agreement based on those negotiations was sent to the Jackpine Gypsies representatives on May 2, 2020; and

**WHEREAS**, at the May 4, 2020 Council meeting the Council again acted to delay a vote on the Resolution for Annexation of the subject property by voting to table consideration of the Resolution for Annexation until the June 1<sup>st</sup> Council meeting; and

**WHEREAS**, the Jackpine Gypsies have made no formal response to the draft proposal sent to them by the City on May 2, 2020; and

**WHEREAS**, the Annexation Study referred to above has identified the manner in which the subject property of the Jackpine Gypsies already receives the benefit of some of the City services paid for by taxpayers in the City of Sturgis; and

**WHEREAS**, the property for subject to this Resolution is for property contiguous to a portion of the present boundary of the City of Sturgis and within the area where the growth of the City can be accommodated to provide for the orderly growth and development of the City; and,

**WHEREAS**, Jackpine Gypsies Motorcycle Club, Inc. is the owner of property described by the Meade County Equalization office as parcels #11.96.01, 11.DD.0A and 11.09.2331, located adjacent to the City of Sturgis and described in fuller detail below; and

**WHEREAS**, the property owned by Jackpine Gypsies Motorcycle Club, Inc. subject to this Resolution consists of platted non-agricultural territory as defined at SDCL 9-4-5 and 10-6-31, described as follows:

LEGAL DESCRIPTION:

- Lot 1 of Boehrs Subdivision, Meade County, South Dakota, as shown on the plat filed in Plat Book 23 on Page 67.

**WHEREAS**, Jackpine Gypsies Inc is the owner of property described by the Meade County Equalization office as parcels # 11.DD.0A and 11.09.2331, located adjacent to the City of Sturgis and described in fuller detail below; and

**WHEREAS**, the property owned by Jackpine Gypsies Inc subject to this Resolution consists of platted non-agricultural territory as defined at SDCL 9-4-5 and 10-6-31, described as follows:

LEGAL DESCRIPTION:

- Tract A of Jackpine Gypsy Subdivision, Meade County, South Dakota, as shown on the plat filed in Plat Book 12 on Page 99; EXCEPTING therefrom Right-of-Way Lot 9, as shown on the plat filed in Plat Book 21 on Page 155 and as corrected by Affidavit of Correction recorded November 18, 2003, in Book 632 on Page 670. AND Lot 1 of the N1/2 SW1/4 NW1/4 of Section 9, Township 5 North, Range 5 East of the Black Hills Meridian, Meade County, South Dakota, as shown on the plat filed in Plat Book 2 on Page 8.
- Lot 3 of the N1/2 SW1/4 NW1/4 of Section 9, Township 5 North, Range 5 East, Black Hills Meridian, Meade County, South Dakota, as shown on the plat filed in Plat Book 5 on Page 242.
- Lot 1 of the N1/2 SW1/4 NW1/4, as shown by the plat recorded in Plat Book 2 on Page 8, Township 5 North, Range 5 East of the Black Hills Meridian, Meade County, South Dakota.

**WHEREAS**, the Annexation Study on file for the subject properties also contains the following information demonstrating the following reasons for annexation:

1. That ample and suitable resources exist to accommodate the orderly growth and development of the described contiguous territory as evidenced by the City's current provision of some City services to the area and consistent with the Annexation Study.
2. That municipal utilities and a major street network are, and have been, considered in terms of the proposed boundary extension in accordance with the Annexation Study.

3. That the City has established a definite timetable upon which municipal services will be extended into the contiguous territory as described in the Annexation Study subject to the City's policies and ordinances in accordance with South Dakota Codified Law.
4. That the approximate costs of the extended services to the residents in the described contiguous territory and to the City are set forth in detail in the Annexation Study subject to the City's reasonable policies, ordinances, regulations, terms and conditions in accordance with South Dakota Codified Law.
5. The estimated difference in tax assessment rate for the residents and property in the contiguous territory will be a net increase of 0.006309 for Non-Agricultural property.
6. That population and census data indicate that the City has and may experience growth or development beyond its present boundaries.
7. That exclusions or irregularities in municipal boundary lines are not the result of arbitrariness but are based upon existing geographical features physical barriers, existing property boundaries, existing occupancies and uses, and existing city boundaries.
8. That there is reasonable present need, and demonstrable future need, for annexing the subject contiguous territory in accordance with the Annexation Study.
9. That there exists a community of interest between the contiguous territory and the City of Sturgis.

NOW, THEREFORE BE IT RESOLVED that the property identified as:

- Lot 1 of Boehrs Subdivision, Meade County, South Dakota, as shown on the plat filed in Plat Book 23 on Page 67;

AND

- Tract A of Jackpine Gypsy Subdivision, Meade County, South Dakota as shown on the plat filed in Plat Book 12 on Page 99; EXCEPTING therefrom Right-of-Way Lot 9, as shown on the plat filed in Plat Book 21 on Page 155 and as corrected by Affidavit of Correction recorded November 18, 2003 in Book 632 on Page 670. AND Lot 1 of the N1/2 SW1/4 NW1/4 of Section 9, Township 5 North, Range 5 East of the Black Hills Meridian, Meade County, South Dakota as shown on the plat filed in Plat Book 2 on Page 8;

AND

- Lot 3 of the N1/2 SW1/4 NW1/4 of Section 9, Township 5 North, Range 5 East, Black Hills Meridian, Meade County, South Dakota, as shown on the plat filed in Plat Book 5 on Page 242;

AND

- Lot 1 of the N1/2 SW1/4 NW1/4, as shown by the plat recorded in Plat Book 2 on Page 8, Township 5 North, Range 5 East of the Black Hills Meridian, Meade County, South Dakota.

shall be and hereby is annexed into the City of Sturgis as provided by State Law, and the corporate limits of the City of Sturgis extended to include it.

**DATED** this 1<sup>st</sup> day of June 2020.



Published: 06-04-2020  
Effective: 06-25-2020

Motion by S. Keszler, second by Crane and carried with all members present unanimously voting yes to table signing a quit claim deed to SEDC for Lot 5 of Creekside Subdivision until the July 6, 2020 Council meeting.

The following bids were received: Rapid Construction, LLC - \$460,000; A & L Contractors - \$418,465.50; MainLine Contracting - \$591,885.

Motion by T. Keszler, second by Waterland and carried with all members present unanimously voting yes to approve the bid of \$418,465.50 from A & L Contractors for the storm sewer project on 1<sup>st</sup> Avenue and Vanocker Canyon Road and have the City Manager sign all documents.

Nick Klosterman was present to discuss the rain runoff from the City streets and subsequent property damage and safety concerns at 2313 Bluebell Drive. The Council asked what Mr. Klosterman thought would be a solution to this problem, but he was not sure how it could be fixed. His property is lower than the roadway and the water runs downhill. This will be discussed at a future IAC meeting.

Any other business:

- There will be a Special meeting held on June 8<sup>th</sup> to discuss the Rally.
- Bonnie Alberts asked why some citizens did not get the Rally survey? The City used Census addresses which does not include P.O. Box addresses. The City tried to reach as many citizens as possible.

Motion by Martinson, second by S. Keszler and carried with all members present unanimously voting yes to go into executive session for personnel and contracts at 8:40 pm.

Motion by Bachand, second by T. Keszler to return to regular session at 9:27 pm.

Motion by S. Keszler, seconded by Martinson and carried with all members present unanimously voting yes to adjourn the meeting at 9:28 pm.

ATTEST: \_\_\_\_\_  
Fay Bueno, Finance Officer

APPROVED \_\_\_\_\_  
Mark Carstensen, Mayor

Published once at the total approximate cost of \$